
AGENCY OVERVIEW**110 Office of Management and Budget**

Date: 12/23/2014**Time:** 11:42:42**Statutory Authority**

North Dakota Century Code Chapter 54-44.

Agency Description

- Fiscal Management oversees budgeting, accounting, payroll, and financial reporting functions for ND state government entities.
- Human Resource Management Services provides human resource guidance and assistance; promotes consistent HR practices; maintains the state classification and compensation plan; and provides training and mediation services.
- Central Services provides procurement and printing services commonly-used office supplies to state agencies, and disposes of state-owned fixed assets and distributes Federal surplus property to eligible entities.
- Facility Management maintains the state capitol complex, plans for future growth needs and provides tour and central mailroom services.
- Risk Management promotes safety and reduces loss resulting from claims by identifying and measuring risks of loss to the State and implementing appropriate measures to address those risks.

Agency Mission Statement

The Office of Management and Budget provides innovative leadership and support to state government. OMB will set the standard for leadership and expertise in state government. We will:

- Provide consistency in policies and practices.
- Set the standard for state agency operations.
- Be an agency with whom others choose to work.
- Provide competitive compensation and benefits.
- Establish performance measures.
- Communicate in a seamless and ongoing manner.
- Guarantee continuum of government.
- Be respected and trusted by customers.
- Strive for overall customer satisfaction.
- Be the employer of choice.
- Improve functionality of automated systems.

Our Core Values are:

- Respect
- Integrity
- Excellence
- Resourcefulness
- Responsiveness

Agency Performance Measures

- Goal 1: Fulfill OMB's Statutory Requirements
- Goal 2: Inform and Engage Stakeholders
- Goal 3: Provide Training to State Employees
- Goal 4: Inform and Engage OMB Workforce
- Goal 5: Improve, Upgrade, and Leverage Technological Capabilities

AGENCY OVERVIEW**110 Office of Management and Budget**

Date: 12/23/2014**Time:** 11:42:42**Major Accomplishments**

1. Facility Management: Completed improvement projects including renovation of cafeteria and north parking lot. The cafeteria and corridor reopened in October 2014. The north parking lot and expanded loading dock reopened for use in November. Completed \$51.7 million Heritage Center expansion project. The official Grand Opening was November 2, 2014, in commemoration of the state's 125th birthday. Central mailroom processed approximately 862,000 pieces of mail and tour guides provided tours to 9,814 visitors.
2. Fiscal Management: Developed on-line electronic closing packages for CAFR reporting. Developed new public reporting website. Prepared agencies statewide for implementation of the Affordable Care Act for temporary employees. Developed guidelines for and made distributions for the state agency Energy Development Impact funding pool. Developed paycheck modeling. Completed upgrade of PeopleSoft payroll and financial modules.
3. Human Resource Management Services: Continued providing guidance to agencies in distribution of salary increases based on market and performance components. Updated compensation study with 2014 salary survey. Implemented PeopleSoft Recruiting Solutions.
4. Risk Management (RM): Maintained State's actuarially projected funding needs for the 2015-17 biennium at \$1.9 million. Third party claims remained consistent with an average of 153 claims the past three years, down from a high of 351 claims in FY2001. State entities reduced required contributions to the fund by \$1.5 million by participating in fund discount program. The RM Workers Compensation Program experience rate for the single state account continues to result in lower than expected premiums. Provided resources and training to state entities in developing Continuity of Operations Plans.
5. Central Services: Implemented inventory and point of sale software at surplus property and interfaced to PeopleSoft. Implemented FileNet at state surplus. Implemented print shop management. Implemented state procurement work request system. Simplified bidders registration process and updated vendor information. State procurement worked with ITD, and AG's office to implement laws related to major IT procurements. Reorganized vendor registry resulting in improved efficiency.

Future Critical Issues

- Continued funding for the statewide systems maintained by OMB
- Continued funding of Affordable Care Act health insurance for eligible employees
- Retention of state employees - continued and increasing turnover due to growing economic opportunities
- Recruitment of new employees due to vacancies resulting from the many retirements of baby boomers and increased competition for qualified staff
- Maintaining the capitol infrastructure while the costs of operating and extraordinary repairs continue to increase

REQUEST SUMMARY

110 Office of Management and Budget
Biennium: 2015-2017

Bill#: SB2015

Date: 12/23/2014

Time: 11:42:42

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
By Major Program					
Administration	473,697,227	327,129,772	(321,430,535)	5,699,237	3,592,862
Facility Management	17,075,134	25,025,780	(11,237,504)	13,788,276	20,355,000
Fiscal Management	8,514,912	12,497,306	(3,611,882)	8,885,424	0
Human Resource Mgmt Service	2,061,551	2,625,113	45,587	2,670,700	0
Risk Management	1,203,045	1,569,897	4,579	1,574,476	0
Central Services	6,128,300	7,517,768	(40,993)	7,476,775	0
Total Major Program	508,680,169	376,365,636	(336,270,748)	40,094,888	23,947,862
By Line Item					
Salaries and Wages	17,445,762	19,953,315	(364,559)	19,588,756	0
Accrued Leave Payments	0	570,411	(570,411)	0	0
Operating Expenses	11,455,383	14,396,789	(840,004)	13,556,785	650,000
Fiscal Management Carryover	1,431,360	3,119,077	(3,119,077)	0	0
Emergency Commission Contingency Fd	0	534,718	165,282	700,000	0
Capital Assets	4,889,588	9,951,065	(7,326,056)	2,625,009	19,705,000
Capital Construction Carryover	2,324,576	4,300,051	(4,300,051)	0	0
Grants	433,500	430,000	0	430,000	0
Grants - Guardianships	0	828,600	828,600	1,657,200	0
Prairie Public Broadcasting	1,000,000	1,937,138	(600,000)	1,337,138	3,492,862
Energy Develop Impact Funding	0	2,806,022	(2,806,022)	0	0
Info Technology Relocation	0	200,000	(200,000)	0	0
Student Internship Program	0	128,450	71,550	200,000	100,000
Health Insurance Pool	0	2,000,000	(2,000,000)	0	0
State Transfers	469,700,000	315,210,000	(315,210,000)	0	0
Total Line Items	508,680,169	376,365,636	(336,270,748)	40,094,888	23,947,862
By Funding Source					
General Fund	500,559,740	363,737,630	(330,746,642)	32,990,988	23,947,862
Federal Funds					
Special Funds	8,120,429	12,628,006	(5,524,106)	7,103,900	0
Total Funding Source	508,680,169	376,365,636	(336,270,748)	40,094,888	23,947,862
Total FTE	131.50	130.50	0.00	130.50	0.00

REQUEST DETAIL

110 Office of Management and Budget
Biennium: 2015-2017

Bill#: SB2015

Date: 12/23/2014

Time: 11:42:42

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Salaries and Wages					
Salaries - Permanent	11,268,367	13,430,308	185,389	13,615,697	0
Salaries - Other	2,477	0	0	0	0
Temporary Salaries	181,872	345,500	(204,500)	141,000	0
Overtime	48,797	34,100	(4,100)	30,000	0
Fringe Benefits	5,944,249	6,143,407	(341,348)	5,802,059	0
Total	17,445,762	19,953,315	(364,559)	19,588,756	0
Salaries and Wages					
General Fund	13,464,648	15,473,017	905,198	16,378,215	0
Federal Funds	0	0	0	0	0
Special Funds	3,981,114	4,480,298	(1,269,757)	3,210,541	0
Total	17,445,762	19,953,315	(364,559)	19,588,756	0
Accrued Leave Payments					
Salaries - Permanent	0	570,411	(570,411)	0	0
Total	0	570,411	(570,411)	0	0
Accrued Leave Payments					
General Fund	0	444,421	(444,421)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	125,990	(125,990)	0	0
Total	0	570,411	(570,411)	0	0
Operating Expenses					
Travel	192,015	308,854	(20,000)	288,854	0
Supplies - IT Software	70,881	128,258	25,999	154,257	0
Supply/Material-Professional	28,644	38,000	0	38,000	0
Food and Clothing	12,328	11,625	0	11,625	0
Bldg, Ground, Maintenance	572,706	496,674	0	496,674	0
Miscellaneous Supplies	766,393	794,951	0	794,951	0
Office Supplies	44,999	409,586	37,000	446,586	0
Postage	25,385	38,800	0	38,800	0
Printing	98,652	127,940	0	127,940	0
IT Equip Under \$5,000	58,988	94,650	0	94,650	0
Other Equip Under \$5,000	71,482	80,005	(31,500)	48,505	0
Office Equip & Furn Supplies	37,689	42,600	0	42,600	0
Utilities	2,439,270	2,614,748	0	2,614,748	650,000
Insurance	157,157	190,035	0	190,035	0

REQUEST DETAIL

110 Office of Management and Budget
Biennium: 2015-2017

Bill#: SB2015

Date: 12/23/2014

Time: 11:42:42

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Rentals/Leases-Equip & Other	324,767	292,800	(2,000)	290,800	0
Rentals/Leases - Bldg/Land	201,704	241,100	69,450	310,550	0
Repairs	976,459	1,049,360	(132,869)	916,491	0
IT - Data Processing	3,066,974	4,395,812	(333,520)	4,062,292	0
IT - Communications	123,884	129,764	0	129,764	0
IT Contractual Svcs and Rprs	352,813	562,303	0	562,303	0
Professional Development	642,887	697,747	0	697,747	0
Operating Fees and Services	825,504	908,527	(152,564)	755,963	0
Fees - Professional Services	363,792	742,600	(300,000)	442,600	0
Other Expenses	10	50	0	50	0
Total	11,455,383	14,396,789	(840,004)	13,556,785	650,000

Operating Expenses

General Fund	8,432,555	10,542,446	(679,020)	9,863,426	650,000
Federal Funds	0	0	0	0	0
Special Funds	3,022,828	3,854,343	(160,984)	3,693,359	0
Total	11,455,383	14,396,789	(840,004)	13,556,785	650,000

Fiscal Management Carryover

Overtime	4,913	0	0	0	0
Travel	7,334	10,000	(10,000)	0	0
Supplies - IT Software	2,796	0	0	0	0
Printing	1,477	4,000	(4,000)	0	0
IT Equip Under \$5,000	150	4,000	(4,000)	0	0
Office Equip & Furn Supplies	0	500	(500)	0	0
IT - Data Processing	1,088,555	2,843,077	(2,843,077)	0	0
IT Contractual Svcs and Rprs	321,340	250,000	(250,000)	0	0
Professional Development	2,398	7,500	(7,500)	0	0
Fees - Professional Services	2,397	0	0	0	0
Total	1,431,360	3,119,077	(3,119,077)	0	0

Fiscal Management Carryover

General Fund	1,431,360	3,119,077	(3,119,077)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	1,431,360	3,119,077	(3,119,077)	0	0

Emergency Commission Contingency Fd

Operating Fees and Services	0	534,718	165,282	700,000	0
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REQUEST DETAIL

110 Office of Management and Budget
Biennium: 2015-2017

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Total	0	534,718	165,282	700,000	0
Emergency Commission Contingency Fd					
General Fund	0	534,718	165,282	700,000	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	534,718	165,282	700,000	0
Capital Assets					
Other Capital Payments	756,127	665,272	(191)	665,081	0
Extraordinary Repairs	3,998,128	8,948,793	(7,255,865)	1,692,928	19,705,000
Equipment Over \$5000	135,333	337,000	(70,000)	267,000	0
Total	4,889,588	9,951,065	(7,326,056)	2,625,009	19,705,000
Capital Assets					
General Fund	3,773,101	9,681,065	(7,256,056)	2,425,009	19,705,000
Federal Funds	0	0	0	0	0
Special Funds	1,116,487	270,000	(70,000)	200,000	0
Total	4,889,588	9,951,065	(7,326,056)	2,625,009	19,705,000
Capital Construction Carryover					
Extraordinary Repairs	2,324,576	4,300,051	(4,300,051)	0	0
Total	2,324,576	4,300,051	(4,300,051)	0	0
Capital Construction Carryover					
General Fund	2,324,576	2,755,752	(2,755,752)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	1,544,299	(1,544,299)	0	0
Total	2,324,576	4,300,051	(4,300,051)	0	0
Grants					
Grants, Benefits & Claims	433,500	430,000	0	430,000	0
Total	433,500	430,000	0	430,000	0
Grants					
General Fund	433,500	430,000	0	430,000	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Total	433,500	430,000	0	430,000	0
Grants - Guardianships					
Grants, Benefits & Claims	0	828,600	828,600	1,657,200	0
Total	0	828,600	828,600	1,657,200	0
Grants - Guardianships					
General Fund	0	828,600	828,600	1,657,200	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	828,600	828,600	1,657,200	0
Prairie Public Broadcasting					
Grants, Benefits & Claims	1,000,000	1,937,138	(600,000)	1,337,138	3,492,862
Total	1,000,000	1,937,138	(600,000)	1,337,138	3,492,862
Prairie Public Broadcasting					
General Fund	1,000,000	1,937,138	(600,000)	1,337,138	3,492,862
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	1,000,000	1,937,138	(600,000)	1,337,138	3,492,862
Energy Develop Impact Funding					
Transfers Out	0	2,806,022	(2,806,022)	0	0
Total	0	2,806,022	(2,806,022)	0	0
Energy Develop Impact Funding					
General Fund	0	1,452,946	(1,452,946)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	1,353,076	(1,353,076)	0	0
Total	0	2,806,022	(2,806,022)	0	0
Info Technology Relocation					
Fees - Professional Services	0	200,000	(200,000)	0	0
Total	0	200,000	(200,000)	0	0
Info Technology Relocation					
General Fund	0	200,000	(200,000)	0	0

REQUEST DETAIL

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	200,000	(200,000)	0	0
Student Internship Program					
Transfers Out	0	128,450	71,550	200,000	100,000
Total	0	128,450	71,550	200,000	100,000
Student Internship Program					
General Fund	0	128,450	71,550	200,000	100,000
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	0	128,450	71,550	200,000	100,000
Health Insurance Pool					
Transfers Out	0	2,000,000	(2,000,000)	0	0
Total	0	2,000,000	(2,000,000)	0	0
Health Insurance Pool					
General Fund	0	1,000,000	(1,000,000)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	1,000,000	(1,000,000)	0	0
Total	0	2,000,000	(2,000,000)	0	0
State Transfers					
Transfers Out	469,700,000	315,210,000	(315,210,000)	0	0
Total	469,700,000	315,210,000	(315,210,000)	0	0
State Transfers					
General Fund	469,700,000	315,210,000	(315,210,000)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
Total	469,700,000	315,210,000	(315,210,000)	0	0
Funding Sources					
General Fund	500,559,740	363,737,630	(330,746,642)	32,990,988	23,947,862
Federal Funds	0	0	0	0	0
Special Funds	8,120,429	12,628,006	(5,524,106)	7,103,900	0

REQUEST DETAIL

110 Office of Management and Budget

Bill#: SB2015

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Time: 11:42:42

Biennium: 2015-2017

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Total Funding Sources	508,680,169	376,365,636	(336,270,748)	40,094,888	23,947,862

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
Base Budget Changes						
One Time Budget Changes						
A-E 1 Remove One-Time Appropriation		0.00	(11,292,946)	0	(2,353,076)	(13,646,022)
A-E 5 Remove State-wide Transfers		0.00	(315,210,000)	0	0	(315,210,000)
Total One Time Budget Changes		0.00	(326,502,946)	0	(2,353,076)	(328,856,022)
Ongoing Budget Changes						
A-A 1 Fiscal Management		0.00	(3,454,097)	0	0	(3,454,097)
A-A 2 Facility Management		0.00	2,425,009	0	0	2,425,009
A-A 3 Administration		0.00	1,065,432	0	0	1,065,432
A-A 4 Central Services		0.00	(4,000)	0	39,016	35,016
A-F 1 Remove Current Biennium Capital Assets		0.00	(4,736,817)	0	(1,814,299)	(6,551,116)
Base Payroll Change		0.00	460,777	0	(1,395,747)	(934,970)
Total Ongoing Budget Changes		0.00	(4,243,696)	0	(3,171,030)	(7,414,726)
Total Base Budget Changes		0.00	(330,746,642)	0	(5,524,106)	(336,270,748)
Optional Budget Changes						
One Time Optional Changes						
A-D 8 Two Level Parking Structure - West Entrance		0.00	13,000,000	0	0	13,000,000
A-D 9 New Entrance, Pathway, and Building ID Signs		0.00	1,400,000	0	0	1,400,000
A-D 2 Mailroom Equipment Upgrades	3	0.00	30,000	0	0	30,000
A-D 3 Security Enhancements - Governor's Residence	4	0.00	175,000	0	0	175,000
A-D 4 Student Internship-Optional	5	0.00	100,000	0	0	100,000
A-D 5 Mechanical Upgrade in Inspiration Gallery	6	0.00	600,000	0	0	600,000
A-D 10 Prairie Public-Optional	7	0.00	3,130,000	0	0	3,130,000
A-D 6 Upgrade Capitol Elevators	8	0.00	1,400,000	0	0	1,400,000
A-D 7 Fire Suppression J-Wing	9	0.00	3,100,000	0	0	3,100,000
Total One Time Optional Changes		0.00	22,935,000	0	0	22,935,000
Ongoing Optional Changes						

CHANGE PACKAGE SUMMARY

110 Office of Management and Budget

Biennium: 2015-2017

Bill#: SB2015

Date: 12/23/2014

Time: 11:42:42

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
A-C 1 Operating Expenses	1	0.00	650,000	0	0	650,000
A-C 2 Prairie Public	2	0.00	362,862	0	0	362,862
Total Ongoing Optional Changes		0.00	1,012,862	0	0	1,012,862
Total Optional Budget Changes		0.00	23,947,862	0	0	23,947,862

BUDGET CHANGES NARRATIVE**110 Office of Management and Budget****Bill#: SB2015****Date:** 12/23/2014**Time:** 11:42:42

Change Group: A	Change Type: A	Change No: 1	Priority:
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Fiscal Management

The base budget change for Fiscal Management are the removal of the 2013-15 carryover amount of \$3,119,077 and \$335,020 reduction in IT costs based on actual expenditures in the current biennium.

Change Group: A	Change Type: A	Change No: 2	Priority:
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Facility Management

The major changes to the base budget are for 1,692,928 in the following extraordinary repairs:

Several mechanical improvements including completing the heat pump replacement project in the legislative wing, replacing a chiller cooling tower, and complete the Air Curtain installation project in order to increase fresh air to the Roughrider, Harvest, Sakakawea and Red River rooms.

Several electrical projects throughout the Capitol buildings and grounds.

Some small renovation projects including fire safety issues in the Judicial Wing, bathroom remodels in the State Office Building, and Carpet replacement for the Treasurer's Office, Governor's Office, 4th floor and 1st and 2nd floors of the Judicial Wing.

Also to replace a tractor from 1977 and one lawn mower.

Change Group: A	Change Type: A	Change No: 3	Priority:
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Administration

The major base budget change for Administration is to restore the Student Internship Program and reinstating the state contingency fund to \$700,000. Also \$828,600 to continue Guardianship Grants approved by the Legislature in HB1041. Statewide dues and memberships include \$611,000: \$145,000 - Commission on Uniform State Laws, \$188,000 - Council of State Governments, \$6,000 - Governmental Accounting Standards Board, \$74,300 Western Governors' Association, \$81,500 - National Governors' Association, \$1,200 - National Lieutenant Governors' Association, \$115,000 - Education Commission on the States.

Change Group: A	Change Type: A	Change No: 4	Priority:
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Central Services

The major budgetary changes are as follows:

increase in rental/leases of building is to cover the increase in a negotiated rental agreement and equipment over \$5000 provides for the purchase of new duplicating equipment and Material handling equipment.

Change Group: A	Change Type: C	Change No: 1	Priority: 1
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Operating Expenses

BUDGET CHANGES NARRATIVE**110 Office of Management and Budget****Bill#: SB2015****Date:** 12/23/2014**Time:** 11:42:42

Additional operating expenses to include increases in utilities, insurance, building and grounds expenses. Additional rates and rate increase have been implemented by MDU this biennium. Capitol, Judicial Wing and Heritage Center were reappraised for replacement value costs.

Change Group: A	Change Type: C	Change No: 2	Priority: 2
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Prairie Public

Prairie Public has not received an increase in operating budget in over a decade. The \$363,862 increase in operating is a result of increased expenses due to rising costs in our state. Engineering costs have increased by 42.5% over the past 10 years compared to an increased CPI of 26%. The largest increases have been in power costs which have seen a 96% increase over the past 10 years. An increase in power support is of vital importance to support infrastructure spending necessary for TV and Radio Broadcasting.

Change Group: A	Change Type: D	Change No: 2	Priority: 3
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Mailroom Equipment Upgrades

Mailroom equipment upgrades directed by changes made with the United States Postal Service.

Change Group: A	Change Type: D	Change No: 3	Priority: 4
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Security Enhancements - Governor's Residence

Security enhancements to include infrared cameras at Governor's residence and additional cameras and monitors throughout the capitol complex.

Change Group: A	Change Type: D	Change No: 4	Priority: 5
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Student Internship-Optional

This program has been used to fill difficult to recruit positions and the agencies have been able to convert about one third of the students to regular employees. There were additional requests from agencies for over \$77,000 than what was budgeted for this program.

Change Group: A	Change Type: D	Change No: 5	Priority: 6
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Mechanical Upgrade in Inspiration Gallery

Mechanical systems upgrade in Inspiration Gallery.

Change Group: A	Change Type: D	Change No: 6	Priority: 8
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Upgrade Capitol Elevators

Upgrade of the four Capitol elevators.

Change Group: A	Change Type: D	Change No: 7	Priority: 9
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BUDGET CHANGES NARRATIVE**110 Office of Management and Budget****Bill#: SB2015****Date:** 12/23/2014**Time:** 11:42:42**Fire Suppression J-Wing**

Phase I of a three phase project to upgrade the 35-year old mechanical and electrical systems and install a fire suppression system on one floor of the Judicial Wing.

Change Group: A	Change Type: D	Change No: 8	Priority:
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Two Level Parking Structure - West Entrance

Capitol grounds planning commission first priority project is the construction of a two-level parking structure with adjoining tunnel to the west entrance of the Capitol. (If not approved, then replace existing parking lots for \$1,300,000)

Change Group: A	Change Type: D	Change No: 9	Priority:
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New Entrance, Pathway, and Building ID Signs

Capitol grounds planning commission second priority project is the installation of new entrance, pathway and building identification signs.

Change Group: A	Change Type: D	Change No: 10	Priority: 7
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Prairie Public-Optional

This change package is requesting \$3,130,000 additional general funds, which is part projects totalling \$4,830,000.

Equipment (\$1,080,000): Replace Fargo studio lighting package, equipment for television studio conversion to digital and allow high definition (HD) productions at Bismarck studio, Replace old and obsolete encoders that are no longer supported by the manufacturer and lack important features now available in new projects, HD production/editing equipment package, and radio network audio processing package.

Transmitter (\$700,000): Removal of decommissioned analog antennas and associated transmission lines from several stations; new LED tower lights in Bismarck; KDSE, KBME, KSRE, KFME TX to improve the mechanical air handling capabilities of transmitters.

Facilities (\$600,000): Restore Fargo studio windows. Update Fargo studio mechanical, elevator, lighting and fire alarm equipment.

Network (\$750,000): Upgrade our microwave distribution system from the Asynchronous Transfer Mode (ATM) format to and Internet Protocol (IP) format that would eliminate the old ATM equipment that is obsolete and no longer supported by manufacturers.

Change Group: A	Change Type: E	Change No: 1	Priority:
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Remove One-Time Appropriation

Remove Current biennium appropriations: 40,000 for ND 125th Anniversary, 600,000 Prairie Public Projects, \$1,000,000 Capitol South Entrance Remodel, 1,500,000 for exterior Restoration Legislative and Judicial wings, 1,200,000 Repairing and Cleaning flooring in Capital and Judicial Wing, 300,000 for Auditor Contract, 2,000,000 for Health Insurance Pool, 2,806,022 for Energy Impact Fund Pool, and 200,000 for IT relocation and consolidation study.

Change Group: A	Change Type: E	Change No: 5	Priority:
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BUDGET CHANGES NARRATIVE**110 Office of Management and Budget****Bill#: SB2015****Date:** 12/23/2014**Time:** 11:42:42

Remove State-wide Transfers

Remove state-wide transfers done by OMB:

Transfer to Property Tax Relief Fund - \$315,210,000

Change Group: A	Change Type: F	Change No: 1	Priority:
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Remove Current Biennium Capital Assets

Remove \$1,248,793 in current biennium extraordinary repairs; \$4,300,051 in Capital Construction Carryover; \$182,000 in Equipment, \$155,000 in IT Equipment and 668,143 for bond Payments

Change Group: R	Change Type: A	Change No: 1	Priority:
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Operating Expenses

Needed for the increase in utilities costs. Additional rates and rate increase have been implemented by MDU this biennium.

Change Group: R	Change Type: A	Change No: 2	Priority:
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Prairie Public

Prairie Public has not received an increase in operating budget in over a decade. The \$362,862 increase in operating is a result of increased expenses due to rising costs in our state. Engineering costs have increased by 42.5% over the past 10 years compared to an increased CPI of 26%. The largest increases have been in power costs which have seen a 96% increase over the past 10 years. An increase in power support is of vital importance to support infrastructure spending necessary for TV and Radio Broadcasting.

Change Group: R	Change Type: A	Change No: 100	Priority:
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Executive Compensation Package Adjustment

This budget change provides funding for recommended 2015-17 compensation adjustments.

Change Group: R	Change Type: B	Change No: 1	Priority:
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Mailroom Equipment Upgrades

Provides one-time funding for mailroom equipment upgrades, which are directed by changes made with the United States Postal Service.

Change Group: R	Change Type: B	Change No: 2	Priority:
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Security Enhancements-Gov Residence

BUDGET CHANGES NARRATIVE**110 Office of Management and Budget****Bill#: SB2015****Date:** 12/23/2014**Time:** 11:42:42

Security enhancements to include infrared cameras at Governor's residence and additional cameras and monitors throughout the capitol complex.

Change Group: R	Change Type: B	Change No: 3	Priority:
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Student Internship

This program has been used to fill difficult to recruit positions and the agencies have been able to convert about one third of the students to regular employees. There were additional requests from agencies for over \$77,000 than what was budgeted for this program.

Change Group: R	Change Type: B	Change No: 4	Priority:
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Mechanical Upgrade in Inspiration Gallery

Provides one-time general funds to upgrade mechanical systems in the Inspiration Gallery.

Change Group: R	Change Type: B	Change No: 5	Priority:
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Prairie Public Projects

Provides \$1.5m from the general fund to Prairie Public Broadcasting for equipemtn for television studio conversion to digital, removal of analog antennas and associated transmission lines and upgrades to the network to replace obsolete ATM equipment with IP equipment.

Change Group: R	Change Type: B	Change No: 6	Priority:
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Upgrade Capitol Elevators

Provides funding to upgrade the four elevators in the capitol tower.

Change Group: R	Change Type: B	Change No: 7	Priority:
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New Pathway Entrance & Building ID Signs

The Capitol Grounds Planning Commission's second priority project is the installation of new entrance, pathway and building identification signs.

Change Group: R	Change Type: B	Change No: 8	Priority:
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West Parking Lot Repair

Provides \$1.3m to repair the west parking lot.

Change Group: R	Change Type: B	Change No: 10	Priority:
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Supreme Court Building

BUDGET CHANGES NARRATIVE**110 Office of Management and Budget****Bill#: SB2015****Date:** 12/23/2014**Time:** 11:42:42

This project would relocate the Judicial Branch to the Liberty Memorial Building including employees and services located off of the Capitol grounds. The project includes a 34,000 square foot remodel of the existing building and a 39,250 square foot addition. The project includes a new supreme courtroom, a visitor center, training and conference space, and secure parking. The project includes \$40,000,000 from the general fund. The project will result in additional general fund operating and maintenance costs of \$414,000 per biennium.

Change Group: R	Change Type: B	Change No: 11	Priority:
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ACA Health Insurance Pool

Provides \$10.0m pool with \$5.0m from the general fund to allocate to agencies for temporary employees determined eligible for health insurance under ACA.

Change Group: R	Change Type: B	Change No: 12	Priority:
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Energy Pool

Provides \$14.7m with \$6.2m from the general fund for an Energy Pool to enable agencies to provide incentives to employees for hard to fill and retain positions in oil impacted areas.

Change Group: R	Change Type: B	Change No: 13	Priority:
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Enhanced State Highway Investments

- Provides \$1.35 billion in one-time funding for a transfer from the general fund to the Highway fund for enhanced state highway investments

Change Group: R	Change Type: B	Change No: 14	Priority:
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Non-oil Political Subs Transportation

- Provides \$100.0 million in one-time funding for a transfer from the general fund to the Highway fund for transportation distributions to non-oil producing counties, cities and townships.

Change Group: R	Change Type: B	Change No: 15	Priority:
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Roads leading to recreational areas

- Provides \$5.0 million for a transfer from the general fund to the Special Roads fund for improvements to roads leading to recreational areas.